A STUDY OF SUSTAINABILITY DISCLOSURE PRACTICES IN SELECT PETROLEUM COMPANIES OF BRICS COUNTRIES

A

SYNOPSIS

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INTRODUCTION

Sustainability Disclosure is defined as a need for future generation which helps to meet the need without compromising with the ability of future generation. It is based upon the 'triple bottom line' concept given by Elkington (2004), which covers three aspects, namely, environmental performance, social responsibility and economic contribution. This concept when presented on a piece of paper takes the shape of Sustainability Reporting. It is an accountability of internal and external stakeholders to consider the measuring and disclosing the Sustainability Reporting for the organizational performance towards sustainable development.

In the present world, there are more consumption units than accessible resources of the companies. In the present scenario it is most emerging issue for the companies and they are focusing on these issues. Sustainability Disclosure generates many benefits for the companies (i.e. it help to create image among consumers and other stakeholder which indicate the companies' accountability for society).

The cost incurred to follow such reporting immediately but its benefits show in long run gradually and it is an intangible in nature. It is very necessary for companies to consider the Sustainability Disclosure practices for future development and it is also a knock of nature.

HISTORY OF SUSTAINABILITY DISCLOSURE PRACTICES

It is not a new concept but Sustainability can be defined as development that satisfies the needs of customers today, without compromising the future generations' ability to satisfy theirs (Anon, 2011). Sustainability Reporting focuses on economic, social and environmental issues and is also referred to as Sustainability Reporting, Non-Financial Reporting, corporate social reporting and the triple bottom line (SAICA, 2012). The main goal of sustainability is to minimize cost and maximize the benefits for both the customer and the environment (Weaver, 2012).

According to The International Petroleum Industry Environmental Conservation Association (IPIECA, 2013), Sustainability Reporting not only helps to enhance business processes and relationships, but also provides a platform to describe how strategic issues are addressed through long-term plans and initiatives. And now there is Global Reporting Initiative (GRI) is available which a permanent is and independent organization, which includes distinguish Board of Directors, and Global Headquarters in Amsterdam, Netherland.

SUSTAINABILITY DISCLOSURE PRACTICES OF BRICS COUNTRIES

On 14 April 2011, 'BRIC' was transformed into 'BRICS', with South Africa's official membership into the dominant coalition of emerging economies. These are the developing countries and cover big market of the world and have a requirement of sustainable development. For this purpose it is necessary for the companies of these countries to consider the accountability regarding Sustainability Disclosure Practices. Through which sustainable development can be ensure not only for present but for the future generation. In this regard BRICS countries should come at one platform and should make parameters. The Indian Focal Point also has a strategic collaboration with the South Asian Federation of Accountants (SAFA).

REVIEW OF LITERATURE

Review of literature play a vital role for further research. It is a backbone of the whole research work. It creates background for selection of procedure, helps the researcher in adoption of tools and provides comparative data. It shows the originality and relevance of research problem.

NATIONAL REVIEWS

SR. NO	AUTHOR/S	YEAR	TOPIC	OBJECTIVES	FINDINGS
1	Sahoo Giridhari, Swain Kumar	2018	Corporate Sustainability Reporting	The objective of this studyto find out level of	The finding of the study shows that there is lot of

	Rabindra, Bal Kumar Ranjan.		Practices of selected Indian companies.	corporate disclosures in India and the items which are most frequently disclosed in corporate annual reports.	variation in the disclosure score between various industries like thelevel of disclosure is quite high in oil &gas and cement companies but it is very less among textile companies.
2	Kumar Rakesh, Sagar Shalini.	2017	A study on Sustainability Reporting Practices as per GRI guidelines in selected automobile companies.	The objective of this paper is to study and compare the Sustainability Reporting Practice in selected automobile companies.	The finding of the study shows that there is no significant difference between the guidelines disclosed by all the companies. Sustainability Reporting is expected to be integral to business today.
3	Laskar Najul, Chakraborty Kumar Tapan, Maji Gopal Santi.	2017	Corporate Sustainability Performance and Financial Performance: Empirical Evidence from Japan and India.	The objective of this study to explore the disclosure of Corporate Sustainability (CS) Practices and to examine the association between sustainability performance and financial performance in Asian context considering firms from India and Japan.	The study finds that the average level of disclosure is more in case of Japanese firm as compared to Indian firms. Using both the regression model, the study finds the influence of CS performance on financial performance is positive and significant for both the nations.

4	Dutta Sumanta, Dutta kumar Uttam.	2015	Triple Bottom Line Reporting: Present Research and Future Direction.	The objective of this study to evaluate the triple bottom line in India and its future scope.	This study analyzes the stakeholder accountability and impact of reporting practices on commercial activities and financial performance.
5	KumarRakesh.	2014	A study of Sustainability Reporting practices in Indian and global companies with special references to the petroleum companies.	The objective of this study to examine and compare the Sustainability Reporting practices in selected petroleum companies.	Findings reveal that company's Sustainability Reporting practices were very good. And companies average disclosing practices were less and Standard deviation were more for both the years.
6	Bhatiya Aparna, Tuli Siya.	2014	An Empirical Analysis of Sustainability Disclosure Practices: Evidence from India and China.	The objective of this study to compare the Sustainability Reporting Practicesof India and China.	Sustainability Reporting is a voluntary practice, for both Indian and Chinese companies. Even then Indian companies are superior in Sustainability Disclosure as compared to theirChinese counterparts.

INTERNATIONAL REVIEWS

SR. NO	AUTHOR/S	YEAR	TOPIC	OBJECTIVES	FINDINGS
1	Amosh Mohammad Adel Hamzeh,Mansor Noorhayati.	2018	Sustainability and Corporate Reporting: A review on environmental and social accounting disclosure.	The objectives of this study to review of recent literature on sustainability disclosures and examine the gap in the studies of voluntary disclosures in different countries.	This study contributes to the literature by highlighting the complexity of the accounting disclosure issues in Corporate Reporting and provides a direction for future research on the determinants of Corporate Sustainability Reporting.
2	Gnanaweera K.A.K.&Kunori .N	2018	Corporate sustainability reporting: Linkage of Corporate disclosure information and performance indicators.	objective is to measure corporate sustainability disclosure guidelines determination (CSDF rate) and the relationship between CSDF rate and corporate Sustainability Performance.	This study revealed that outcome of following Disclosure Guidelines by Japanese firms is vary with its Sustainability Performance Relationship.
3	Andreassen Natalia.	2017	Sustainability Reporting Guidelines-Safety Issues for Oil Companies.	Objective of this study to examine the Sustainability Reporting Guidelines of oil companies regarding safety issues.	The main empirical findings reveal that the oil and gas sustainability reportingguidelines developed by IPIECA/API/OGP are more relevant in guiding productionsafety disclosure than the global Sustainability Reporting Guidelines developed by GRI.

4	Goyal Neeraj.	2014	Corporate Sustainability Reporting Practices among Indian Companies – Myth or Reality.	Objective of this study to find out level of corporate disclosures in India.	There is lot of variation in the disclosure score between various industries like the level of disclosure is quite high in oil &gas and cement companies but it is very less among textile companies.
5	Spasic Dejan, Stojanovic Maja	2013	Sustainability Reporting-Theoretical Framework and Reporting practice in the Serbian oil industry.	The purpose of this paper is to analyze the achieved level of disclosure of information about economic, environmental and social aspects of business in the Serbian oil industry.	Comparative analysis of the sustainability reports of the Serbian oil company NIS a.d. and the world-famous oil company British Petroleum PLC has shown that reporting on environmental and social aspects of business in the Serbian company has been conducted for the last three years.
6	Julia Lackmann, Jurgen Ernstberger, Michael Stich.	2012	Market Reactions to Increased Reliability of Sustainability Information.	Objective of this study to investigate Market reliability to Increased Reliability of Sustainability Information.	Findings suggest that investors take into account the reliability of sustainability information when determining the market value of a company and second, the benefits of increased reliability of sustainability information vary cross- sectional.

7	Manetti, Giacomo & Toccafondi, Simone.	2012	The Role of Stakeholders in Sustainability Reporting Assurance.	Objective of this study is to gather the evidence from the international organizations regarding. Significantly stakeholders.	Findings contribute to clarifying whether the involvement of external stakeholders as conducted by assurance providers, on specific request of assured corporations, is mainly to gain consensus and (re)build public trust.
8	Smith John, Haniffa Ros & Fairbrass Jenny.	2011	A Conceptual Framework for Investigating 'Capture' in Corporate Sustainability Reporting Assurance.	Objective of the study to capture the conceptual framework for investigating corporate sustainability reporting assurance.	Investigating the dynamics of the interactions between the various bodies active in the assurance field in the UK.
9	Davidson Kathryn.	2011	Reporting Systems for Sustainability: What Are They Measuring?	Objective of the study to measure the Reporting system of Sustainability.	Findings address the interrelationship between social, economic and environmental contexts.

10	Hubbard Graham.	2011	The Quality of the Sustainability Reports of Large International Companies: An Analysis.	Objective of this study to analyze The Quality of the Sustainability Reports of Large International Companies.	Sustainability Reporting needs to be improved so that it contributes usefully to stakeholders and analysts being better able to measure strategic organizational performance.
11	Pounder Bruce.	2011	Trends in Sustainability Reporting.	Objective of this study is to analyze Trends in Sustainability Reporting.	As Sustainability becomes an increasingly common subject of Corporate Reporting, financial managers should be aware of emerging trends.
12	Verschoor & Curtis.	2011	Should Sustainability Reporting Be Integrated?	Objective of this study is to analyze Sustainability Reporting integration in organization.	Global thought leaders on the subject of sustainability are proposing a new organizational reporting structure that links current financial performance with the social, environmental, and economic context within which the organization operates.

13	Bell, Lundblad & Heidemarie.	2011	A Comparison of Exxon Mobil's Sustainability Reporting to Outcomes.	The objective of this study to compares public information about ExxonMobil's (EM) Corporate Sustainability Reporting (CSR) processes and report content to data about its sustainability outcomes.	Findings concludes that ExxonMobil originally engaged in ceremonial reporting about sustainability issues to seek legitimacy from its shareholders.
14	Wong Shirley.	2010	Sustainability Reporting Of Small And MediumSized Businesses in the Electricity Distribution Industry in Australia.	The objective of this study to analyze Sustainability Reporting Of Small And MediumSized Businesses in the Electricity Distribution Industry in Australia.	Findings shows that a small proportion of small and medium size businesses prepare Sustainability Reports.
15	Etzion Dror & Ferraro Fabrizio.	2010	The Role of Analogy in the Institutionalization of Sustainability Reporting.	The object of this study purposefully institutionalize the practice of Sustainability Reporting.	Findings shows theoretical contribution helps explain how analogies to existing institutional practices can both provide legitimacy to novel institutions and constitute the basis for a creative process of institutional design.

16	Perego Paulo.	2009	Causes and Consequences of Choosing Different Assurance Providers: An International Study of Sustainability Reporting.	The object of this study investigates the causes and consequences of choosing different assurance providers for companies seeking independent verification of their Sustainability Reports.	Findings of study this study to maintain the quality of the recommendations and opinions in a sustainability assurance statement is positively associated with non-accounting assurance providers.
17	O'dwyer Brendan, Unerman Jeffrey & Hession Elaine.	2007	User needs in Sustainability Reporting: Perspectives of stakeholders in Ireland.	The objective of this paper ascertains and analyses the views of a number of Irish stakeholders regarding the adequacy and potential of corporate Sustainability Reporting to meet their information needs.	Findings show that many stakeholders were optimistic about the improvement and potential of Sustainability Reporting regarding social and environmental issues.

RESEARCH GAP

After considering literature reviews it has been found that various studies on Sustainability Disclosure Practices havebeen conducted on petroleum companies of Australia and some other Asian countries during previous years. No study have been found onpetroleum companies of BRICS countries regarding SustainabilityDisclosure Practices.So Researcher wants to study on Sustainability Disclosure Practices followed by selectpetroleum companies of BRICS countries. Researcher also

wants to elaborate the previous studies in this regard and wants to know the perception of stakeholders in Sustainability Disclosure Practices.

NEED OF THE STUDY

Sustainability Disclosure Practices is an important aspect for growth of companies and other related factors (i.e. economic, social and environmental). It is a challenge for companies to follow GRI standards and to ensure the sustainable development. It is widely accepted that organizations have not only a responsibility but also a great ability to exert positive change on the state of the world's economic, environmental and social conditions. Theproposed study considers the comparative study of petroleum companies of BRICS countries. The study under consideration also required to know the extent of companies' Disclosure Practices and the perception of stakeholders regarding Sustainability DisclosurePractices.

OBJECTIVES

1) To study the Sustainability Disclosure Framework of BRICS countries.
2) To examine and compare the Sustainability Disclosure Practices followed by select petroleum companies of BRICS countries.
3) To examine and analyze the Sustainability Disclosure Practices regarding performance indicator in selectpetroleum companies of BRICS countries.
4) To study the perception of stakeholders regarding Sustainability Disclosure Practices.

RESEARCH METHODOLOGY

SAMPLE SIZE AND SELECTION CRITERIA

Two exploration petroleum companies from each country of 'BRICS countries' (i.e. total ten companies)will be considered for the research purpose. The companies have been selected on the basis of their highest turnoveras on accounting year end of 2015.

SR. NO.	NAME OF THE COUNTRIES	NAME OF THE COMPANIES
1	BRAZIL	1. PETROBRAS (Brazilian Petroleum Corporation). 2. OGX PETROLEO.
2	RUSSIA	1. ROSNEFT OIL COMPANY. 2. TATNEFT OIL COMPANY.
3	INDIA	1. ONGC (Oil and Natural Gas Corporation Limited). 2. RIL (Reliance Industries Limited).
4	CHINA	1. SINOPEC Limited. 2. CNPC(China National Petroleum Corporation).
5	SOUTH AFRICA	1. SASOL Limited 2. PETROSA (The Petroleum Oil and Gas Corporation of South Africa 'SOS' Limited).

DATA COLLECTION

PRIMARY DATA: The data will be collected through questionnaire. Sample size for the primary data will be taken from 200 respondents (i.e. Stakeholders). Out of 200 respondents the researcher will collect 20 respondents from each select companyfor the study.

SECONDARY DATA: Secondary data will be collected from Sustainability Reports and Research studies published in journals, magazines, newspapers, websites, periodicals, Annual Financial Reports, Corporate Sustainability Reports, Environmental Reports, Health and Safety Reports, Social Reports, and other reports of selected companies. Data will be collected on the basis of Check list.

Check list will be prepared on the basis of Sustainability Reporting Disclosure Guidelines of BRICS countries.

HYPOTHESES

For the research purpose following null hypotheses will be tested.

H_{01} - There is no significant difference in Sustainability Disclosure Practices in select petroleum companies within each BRICS country during the selected period.

H_{02}- There is no significant difference in Sustainability Disclosure Practices in select petroleum companies amongst all BRICS countries during the selected period.

TOOLS FOR ANALYSIS

For achieving the above mentioned objectives and for analyzing Sustainability Reports, following**tools** and **techniques** will be used:

Tools: Questionnaire and Check List.

Techniques: Average, weighted average, mean, standard deviation, t-test etc.

DURATION OF THE STUDY

For the purpose of analysis of data a period of Five Financial Years from 2015-16 to 2019-20 will be taken into consideration.

SPECIFIC METHODOLOGY

S.no.	OBJECTIVES	METHODOLOGY
1	To study the Sustainability Disclosure Framework of BRICS countries.	In order to examine the Disclosure Framework ofSustainability Disclosure Practices, an examination of Sustainability Reporting Guidelines and Sector Supplement will be carried out.

2	To examine and compare theSustainability Disclosure Practices followed byselect petroleum companies of BRICS countries.	To achieve this objective, Sustainability Reports of the select companies of BRICS countries will be considered. For this purpose, Researcher will prepare the check list on the basis of Sustainability Guidelines of BRICS countries. Sustainability Disclosure Practices will be examined and compared on the basis of check list. For analysis, Researcher will use mean, standard deviation and t- test.
3	To examine and analyze the Sustainability Disclosure Practices regarding performance indicator in select petroleum companies of BRICS countries.	Sustainability Disclosure Practices regarding Performance Indicators will be examined on the parameters i.e. Economic parameters, Environment parameters and Social parameters. For achieving this objective, Researcher will prepare the check list on the basis of GRI (Global Reporting Initiative) Guidelines. Sustainability Disclosure Practices will be examined and analyzed on the basis of check list. For analysis, Researcher will use mean, standard deviation and t- test.
4	To study the perception of stakeholders regarding Sustainability Disclosure Practices.	A questionnaire will be administered and distributed to 200 stakeholders of BRICS countries.

PROPOSED CHAPTER PLAN

CHAPTER NUMBER	**CHAPTER NAME**
Chapter-I	Introduction.
Chapter-II	Review of Literature.
Chapter-III	Sustainability Disclosure Practices: Framework and Amendments.
Chapter-IV	Sustainability Disclosure Practices:Examination andComparison.
Chapter-V	Sustainability Disclosure Practices:Performance Indicators
Chapter-VI	Conclusion and Suggestions.

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